

Cigarette Excise Taxes in Missouri

Tobacco Use Costs Missouri Billions— That's with a "B"

Missouri's share of Medicaid spending caused by smoking was \$415 million in 1998. The state loses \$1.7 billion annually from health care expenditures and \$2.2 billion from lost productivity costs due to smoking.

Although many states are having significant drops in adult smoking prevalence, Missouri's adult smoking rates have essentially remained the same since 1985. In 2002, more than a fourth (26.5%) of Missouri's adult population were smokers.

People With Lower Incomes Smoke More

Smoking levels are highest among people with lower incomes, and these people also experience the most smoking-related disease—lung cancer, heart disease, chronic obstructive lung disease, stroke, diabetes, low birth weight, and infant mortality.

To smoke more tobacco, people must buy more tobacco. In other states, people with less money are among the first to quit or cut back when tobacco prices increase. Logically this lowers their risk for smoking-related disease.

Cigarette Excise Tax Rates in Selected States

Massachusetts	\$1.51 (1st)
Connecticut	\$1.51
New York, New Jersey	\$1.50
Rhode Island	\$1.50
Washington State	\$1.425
Illinois .....	.98¢
Kansas .....	.79¢
Nebraska .....	.64¢
Arkansas .....	.59¢
West Virginia .....	.55¢
Texas .....	.41¢
Iowa .....	.36¢
Oklahoma .....	.23¢
Tennessee .....	.20¢
Virginia .....	.20¢ (30¢ in 2005)

Missouri17¢

Alabama .....	.165¢
South Carolina .....	.07¢
North Carolina .....	.05¢
Kentucky .....	.03¢ (50th)

Raising Cigarette Excise Taxes Lowers Smoking Rates

According to the U.S. Surgeon General, one of the most effective ways to reduce smoking rates is to raise the price of tobacco through excise taxes.

For every 10% increase in cigarette prices, smoking rates fall by the following scale:

- 7% among pregnant women
- 7% among youth
- 4% among adults
- 1 out of 15 college-age smokers quits

Smoking Rates Pushed Even Lower

The initial reduction in rates of smoking caused by enacting cigarette excise tax increases can be enhanced by more than 25%, say officials with the U.S. Centers for Disease Control and Prevention (CDC). The key is funding and implementing a comprehensive tobacco use prevention program. States using cigarette excise taxes to fund comprehensive prevention programs report reduced tobacco use, reduced rates of tobacco use initiation, reduced exposure to secondhand smoke, and reduced smoking-related deaths. These states expect savings in the billions of dollars through reduced smoking-attributable illness, disability, and death.

60.7% of Missouri adults would support additional tax on a pack of cigarettes if some or all of the money raised was used for tobacco prevention programs.

REFERENCES:

Centers for Disease Control and Prevention (CDC)
State highlights and data
www.cdc.gov/tobacco/stat-nat-data.htm

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State-specific data and reports
www.tobaccofreekids.org

Missouri Department of Health and Senior Services.
County-level Study, 2003.